

44.2/103

AGREEMENT
FOR THE CONCLUSION OF NEGOTIATIONS BETWEEN
THE UNITED STATES AND THE EUROPEAN COMMUNITY
UNDER GATT ARTICLE XXIV:6

I. The United States and the European Community

- desiring to bring their GATT Article XXIV:6 negotiations to conclusion on the basis of a reasonable and mutually satisfactory compromise;
- recognizing that the differing interpretations which each party has placed on the provisions of Article XXIV:6 cannot be reconciled;
- recognizing on the other hand that the alternative of major transatlantic trade conflict is not in the interest of the continued close partnership in commercial and economic matters between the European Community and the United States, including the Uruguay Round of Multilateral Trade Negotiations in the GATT; and
- recognizing that the present agreement is concluded without prejudice to the views of either party in respect of Article XXIV:6;

agree to the following provisions:

II. As regards the withdrawal of Spanish and Portuguese GATT concessions, the Community will implement the following dispositions:

- A. The GATT bindings of the EC 10 as set out in Schedules LXXII and LXXII bis will be restored and extended to Spain and Portugal, in view of US recognition of the benefits which would result for certain US exports.⁽¹⁾ Improvements granted to third countries shall also be applied to the US. The duties applied in Spain and Portugal during the transitional period will be those set out in the Treaty of Accession.

(1) This commitment does not apply to fish products on which the EC has not made an offer and which are subject to negotiations with other countries. The United States maintains its principal supplier and substantial interest rights under Article XXVIII for such products. The European Community recognizes that these matters have to be resolved through further negotiations.

B. A reduction of present duty rates will be made on an autonomous basis on the products listed, and in the manner described, in Annex I:

C. As regards corn and sorghum, (other than for sowing)⁽¹⁾:

1. The Community will ensure a minimum annual level of imports of two million metric tons of corn and of three hundred thousand metric tons of sorghum into Spain for consumption from non-EC sources (MFN). To achieve this, reduced-levy quotas shall be applied in Spain and/or direct purchases on the world market shall be made under the Commission's authority. The detailed modalities are set out in Annex II.
2. The commitment in 1. shall apply from 1 January 1987 to 31 December 1990. The quantity for 1987 shall be in addition to any EC obligations remaining with respect to the interim agreement of 1 July 1986.
3. In order to ensure that such imports of corn and sorghum into Spain are not diverted to other markets, appropriate measures will be taken.

(1) Nimexe 10.05.92 and 10.07.59

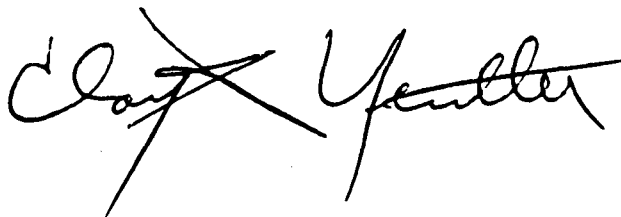
III. The United States and the European Community also agree that:

- (i) Consultations will be held on this agreement at any time at the request of either party.
- (ii) During July 1990, a major review of the situation resulting from paragraph 11 of this agreement will be initiated. This review will take into account, inter alia:
 - (a) general trade developments, with particular reference to the evolution of US exports to Spain and Portugal;
 - (b) agreements on agriculture reached in the Uruguay Round;
 - (c) the status of implementation of the Treaty of Accession;with the objective of determining at that time what new action, if any, might be appropriate..
- (iii) This agreement is without prejudice to the legal interpretations of Article XXIV of either party and both parties reserve full GATT rights including those which would otherwise be time-limited.

IV. Upon approval of, and subject to, the above provisions, both parties declare that this agreement constitutes a mutually satisfactory conclusion of this Article XXIV:6 negotiation.

Signed at Washington and Brussels this the thirtieth day of
January in the year one thousand nine hundred and eighty-
seven.

For the Government of the United States of America

A handwritten signature in cursive script, appearing to read "Clay Yentler". The signature is written in dark ink on a white background.

For the Council of the European Communities

A handwritten signature in cursive script, appearing to read "M. L. Carr". The signature is written in dark ink on a white background.

USA/EEC/5

ANNEX I

The European Community will, on an autonomous basis, reduce the present duty rates on the products listed below to the duty levels indicated during the period 1987 to 1990.

CCT No	DESCRIPTION	PRESENT DUTY	OFFER
0704 A	Dried, dehydrated or evaporated onions	16	Tariff quota of 12 000 tons at 10
0801 D	Avocados	8	4 in the period 1 Dec to 31 May
1203	Seeds for sowing:		
C	- of fodder plants	4-5	2-2,5
D	- flowers and kohlrabi	6	3
E	- vegetable seeds and other	7	4
2006 A II	Nuts, roasted in packings of 1 kg or less	16	12
ex 2007 A II	Apple juice (concentrate) ⁽¹⁾	42 + (L)	30 + (L)
ex 2007 B I	Apple juice (other) ⁽¹⁾	24 + ADS	18 + ADS
(Nimexe codes ex 23, ex 24, 32, 33, 35)		25	18
ex 2007 B II	Grapefruit juice	15 + ADS	12 + ADS
(Nimexe codes 45, 75)			
ex 2007 B II	Cranberry juice	22	14
(Nimexe codes 61, 93)			

(1) Pear juice is not included. Mixtures of apple and pear juice are not included.

CCT No	DESCRIPTION	PRESENT DUTY	OFFER
2209 C III (a)	Bourbon	Specific duty	Reduced by half ⁽²⁾
2402 B	Cigars	52	43
2801 C	Bromine	9	4,5
ex 2902 A III	Ethyl Dibromide, and Vinyl Bromide	8,6	3
ex 2907 A	Halogenated Derivatives: Bromides	6,9	3
ex 2908 A III C	Aromatic ethers: Bromides	7,1	3
ex 2915 C III	Other aromatic polycarboxylic acids: Bromides and tetrabromides	13	8
ex 2926 A II	Bistetraabromophthalic amide	7	3
3814 A	Anti-knock preparations based on tetraethyl - lead	7,2	0
ex 3814 B III	Other anti-knock preparations	5,8	0
3819 S I	Doped silicon	7,6	5
3901 C VII	Nimexe codes:		
3901 87	Epoxide resins as monofil, seamless tubes, rods, sticks, profile shapes, plates, sheets, film, foil or strip; waste and scrap	7,6	6,5

(2) - in containers holding two litres or less - 0,20 ECU per hl per
 % volume of alcohol + 1,5 ECU per hl
 - in containers holding more than two litres - 0,20 ECU per hl per
 % volume of alcohol

USA/EEC/Annex 1/2

CCT No	DESCRIPTION	PRESENT DUTY	OFFER
3901 94	Polyether alcohols, except polyethylene glycols, liquid or pasty, in blocks, lumps, powder, granules, flakes and similar bulk forms.	7,6	6,5
3901 96	Condensation, polycondensation and polyaddition products N.E.S. prepared for moulding or extruding.	7,6	6,5
3901 98	Condensation, polycondensation and polyaddition products N.E.S. not prepared for moulding or extruding, liquid or pasty, in blocks, lumps, powders, granules, flakes and similar bulk forms.	7,6	6,5
ex 4415	Plywood of coniferous species	Tariff Quota 600 000 m ³	Tariff Quota 650 000 m ³
ex 7603 (Nimexe Codes 22, 29, 32, 39)	Rectangular wrought plates, sheets and strip, of aluminium	10	7,5
ex 8706 (Nimexe Code ex 41)	Wheels; parts of wheels and accessories for wheels: - of aluminium.	6,9	6

ANNEX II

With reference to paragraph II C.1. of the Agreement for the Conclusion of Negotiations between the United States and the European Community under GATT Article XXIV:6, the following modalities shall apply:

1. In order to ensure the minimum annual level of imports of two million metric tons of corn and three hundred thousand metric tons of sorghum into Spain, the EC will establish as a general mechanism a system consisting of an import tender for a reduced levy for corn and for sorghum imports into Spain.
2. In order to guarantee the import of the total quantities negotiated, a back-up mechanism will be established, enabling direct purchases of corn and sorghum on world markets for Spain, under the control of the Commission. The Commission will proceed to such purchases on a regular basis if it proves necessary and following bilateral consultations where appropriate.
3. The Commission will ensure that the minimum annual import levels are fully met not later than two months after each calendar year concerned.
4. The quantities of the non-grain feed ingredients imported into Spain and listed below will be deducted proportionally from the global yearly quantities which have been negotiated for corn and for sorghum:

CCT NUMBER	PRODUCT DESCRIPTION
23.03.A II	Corn gluten feed
23.03 B II	Brewing and distilling dregs and waste
23.06 A II	Citrus peels and pellets